Chapman and his wife; passed to a second reading. By Mr. Osborn of Laporte, to amend the Revised Statutes in relation to charges to juries; passed to a second reading.

Also, a bill to amend the practice in chancery; passed to a second reading. Mr. Cookerly moved that Mr. Monroe be added to the committee on the State prison; which was decided in the affirmative.

ORDERS OF THE DAY. Bills passed,-The bill for the relief of John Nix- To the Hon, John S. Stmonson, on was read a third time and passed; also, a joint resolution in relation to inland seas; also, to prethe times of holding courts in the 8th circuit; also, to preside. to provide for the taking, holding and transmitting of It is not doubted that the whole subject will receive that real estate held by aliens, and quieting titles of real thorough consideration, which its gravity and importance are estate; repealing a law therein named, in Delaware so well calculated to command. county; to change a school district in Harrison county; to vacate a part of Water street in Rushville; for the relief of Peter Everhart and Hezekiah Mitchell; to establish an additional place of holding elections in Jackson township, Washington county: to alter the width of a State road between Connersville and St. Omar; divorcing Leonard and Frances Crawford; for the benefit of the inhabitants of a certain township in Gibson county; declaring a county lating the fees of petit jurors in Hancock county;

SENATE. MONDAY, December, 15th, 1845. The President laid before the Senate a communication from the Auditor of State, enclosing a report from the commissioner of the New Albany and Vincennes McAdamized road; laid on the table and 100 copies ordered to be printed.

Petitions were presented by Messrs. Read, Herriman, Handy, Holloway, Reyburn, Cuppy, Parks, and Jackson; which were disposed of without reading. Reports from Committees.

Mr. Morgan of D, from the committee on unfinished business, reported the bill for relief of A. Hendricks and Son : referred to the committee on claims. Also, the bill authorizing the State Bank to issue notes

of a less denomination than five dollars; referred to the committee on the State Bank. Mr. Buell, from the committee on the State Bank, reported a bill in relation to advertising certain delinquent

lands; passed to a second reading. Mr. Berry of F., from a select committee, reported a bill incorporating a Lutheran Chuch in Franklin county; read three times and passed.

tri-weekly paper.] Mr. Logan, in relation to the clerks of circuit courts do-

ing the business of county auditors; referred to the committee on the judiciary. Mr. Parks, to authorize a settlement between the State and Allen McLean; referred to the committee on ca-

Mr. Jones, for the relief of paupers in the county asy-ORDERS OF THE DAY.

A number of bills passed the second reading, The bill dissolving the bonds of matrimony between Ransom Gabbart and his wife; was read the third time

The bill in relation to the pilots on the falls of the Ohio; was laid on the table, by motion of Mr. Read.

The joint resolution in relation to the relief of settlers on the Miami Reserve; passed. The joint resolution in relation to overflowed public lands; passed.

To legalize the acts of James Batman, a justice of the eace; passed. Bills of the House were taken up, a large number were read the first time, and ordered to a second reading.

The bill to vacate a part of Water street in Rushville; was read the third time and passed. On motion of Mr. Pomeroy, the Senate adjourned.

AFTERNOON SESSION.

Bill of the House for the relief of Peter Evergreen and Hezekiah Mitchel, purchasers of school lands; read the third time and passed

The bill of the House declaring a certain county road a State road, in Clay county; passed to the third

A number of hills of the House were read the first time and passed to the second reading. Cn motion, the Senate adjourned.

HOUSE OF REPRESENTATIVES. MONDAY, Dec. 15, 1845. Mr. Carr presented the petition of J. P. Smith for in-

vestigation, &c.; referred to the committee on the State purposes; referred to a select committee of Messrs, Tedford, Snook and Leyman.

By Mr. Riley, the memorial of James Rutherford, an alien, for a license to practice law; also, By Mr. Turner, for an extension of the county boundary of Blackford, so as to embrace a portion of Grant county;

referred to a select committee. By Mr. Stapp, of Mr. Moreledge; referred to canal

Mr. Hall of Gibson asked to be excused from serving in select committee, in relation to the conduct of Sinking Fund Commissioners; which was granted by the House, have been, it could have saved many from ruinous sacrifices, and Mr. Fuller appointed in his place. Petitions were also presented by Messrs. Tedford and

Cornelius; which were referred. Mr. Hazelrigg presented a petition, praying that a new county may be formed out of the counties of Putnam, Parke and Montgomery; which was referred to a select committee of Messrs, Hazelrigg, Nelson, Bowman, Dowl-

ing, Seawright, Nofsinger and Cameron. Mr. McDonald from the committee on the Judiciary, to which was referred the bill relative to trespassing on the public lands, reported the same back, which was concurred

n, and the bill ordered to be engrossed. in relation to write of ne exeat; which passed to a second

Mr. Porter reported an amendment to the bill amending the execution law, making executions returnable in 180

and 120 days, &c. in this particular. He therefore moved to strike out this

Mr. Lowe moved that the bill and proposed amendment be laid on the table; which motion prevailed. Mr. Hall of Gibson reported against the expediency of

decedents' estates, under the value of one hundred dollars, as personal property; which was concurred in; also til the entire domestic debt be fully paid. to a second reading.

Mr. McDonald reported a bill providing for taking a vote at the next August election, for or against a Convention, to amend the Constitution of the State of Indiana; passed to a second reading.

Mr Nelson, from the committee on agriculture, reported a bill to allow owners of partnership fences to remove the same, by giving a party six month's notice; passed to a se-

changing the time of holding circuit and probate courts in Clark county; passed to a second reading.

By Mr Carnan, a bill regulating the compensation of

grand and petit jurors-fixing the rate of compensation according to the distance jurors may reside from the countyseats-seventy-five cents per day to be allowed to those residing at the county seals, &c.; passed to a second reading. The bill abolishing the fee of county auditors for a transfer of lands, in certain counties, was reported back : when Mr. Huff moved an amendment, providing that the provisions of the bill be made general, and a further amendment, that it be made optional with purchasers of lands,

previous to having deeds recorded, whether such transfer of

Mr Hazeligg moved that the bill be laid on the table which motion did not prevail. Mr Hazelrigg moved to recommit the bill to the same

that it shall be optional with purchasers to have lauds transferred or not : which motion did not prevail. The question then recurring on the amendment by Mr

Hoff, it was decided in the negative. be required in Perry county, but the auditor shall make On motion, Hancock, Marion, Owen, Dearborn, Spen-

motion prevailed, ayes 45, noes 30. The amendment of Mr. Thompson, as amended was

then adopted. The bill was then ordered to be engrossed. Mr. Moore reported a bill regulating the duties of county commissioners; which passed to a second reading. On motion, the House adjourned.

Mr. Butler's Letter in Behalf of our for the construction of that canal from Lafayette, or the January, 1851, I beg leave to call the attention of your mouth of the Tippecanoe river, east to the State line,

Speaker of the House of Representatives : Six-Herewith is transmitted a communication addressed scribe the mode of selecting jurors in Hendricks; al- to me by Charles Butler, E-q, the authorized agent of the so, to change the time of holding probate courts in holders of a very large amount of the bonds of the State, in Perry and Harrison; also, to amend the act fixing relation to the public debt, and for the purpose of having the

I am, very respectfully,

Your ob't serv't, JAS, WHITCOMB.

INDIANAPOLIS, Dec. 10, 1845. To the Hon. JAMES WHITCOMB, Governor of the State of Indiana : DEAR SIR-The undersigned, in behalf of the holders of a

and Erie Canal, and Internal Improvement Bonds,) begs leave to lay before your Excellency, and through you, beand candid consideration of the subject.

to send me to the State of Indiana, for the purpose of cop- weaken his security. (Sundry resolutions were introduced, for which see ferring with your Excellency and the Legislature in relation

They believe that this measure will greatly promote the orable to the State, will be accelerated by it.

by this means some plan may be devised for the relief of have reason to believe prevails and is increasing with the that greatest element of national wealth, to render it cer- well established fact, that the moment you put a man your bondholders, which shall not only be cordially accepta- great body of the citizens of your State, and which your tain. ble to them, but also within the ability of the State.

the credit of the State of Indiana.

the interest, in part, and according to the present ability of gent action. the State; and the amount hereafter to be increased according to its growing ability.

I am aware that the " Domestic Debt," so called, existing

exclusive lien upon all the revenues of the State, and postticipation and share in them, for an indefinite period. On debt. By the same document it appears that the value of the fixing the time when it will be paid; in other words, chose to adopt Sec. 7, of Chapter 112, which was a sire to relieve a large number of the citizens of the State, who had toiled on her public works, and whose claims were less than 124,000—that the average increase of taxable adds to their unhappine s—as in the case between man and less than 124,000—that the average increase of taxable adds to their unhappine s—as in the case between man and the State would have been partial to her own domestic credand provided for its punctual payment, in full, out of the revenues of the State, before any application of those revenues should be made to the payment of the interest on the other bonds:-vet they would doubtless have submitted to it withso to have paid some portion of the interest on her public debt, at the same time; and however small that portion may

Mr. Clements saw no necessity for a charge in the law portion of her creditors, when their injurious and partial on the public debt, either by the application of some part

blers who have no visible means of living, by imprisonment they have a domestic scrip receivable for the State tax- great an object as the completion of that canal, at the ear- when we consider the changing character of the population five hundred dollars, upon any person or corporation in the State prison or county jail, and the keepers of gam-bling establishments by a fine of from one to one thousand the dollar, (which added to the existing tax of two mills, dollars or imprisonment in the county jail; which passed makes their State tax three and a half mills,) has been gress for that purpose) it is needless to say that they would of time; nor is it surprising, in this view of the subject her public debt. In both cases, the object to be attained was the maintenance of public faith, and relief to the public creditors; and in the accomplishment of this great end, all local and domestic interests were deemed subor-

faith maintained in all its integrity; and who have con- revenues of the State, derived from taxation, and the bal- permanent prosperity thereby secured. tinued to hold them from that time to the present, through ance from the revenues of the entire canal, from the State In conclusion. I will add, that I am fully suthorized, good and through evil report, with a full reliance on the line to the Ohio river. integrity and ultimate ability of the citizens of Indiana? Is not this class of creditors entitled to as much-nay, Index be made or not.

Mr McDonald did not wish this amendment to apply to his country. His country. His country were satisfied with the law as tice, towards all those who sustain the intimate relation

of creditors to it? In connection with this branch of the subject, it is proommittee.

The question was taken, and the bill was not committed.

The question was taken, and the bill was not committed.

Mr Henry moved to commit the bill, with instructions ing the State tax at four mills on the dollar, and the poll tax at seventy-five cents, and the former was set apart and specially appropriated to pay the interest on the Internal Improvement bonds; which law was at the subsefuff, it was decided in the negative.

Mr. Thompson moved that the fee for transfer shell not State Auditor's office show, that in no year before or since, has the revenue been paid in with greater promptitude, than it was during the year following the imposition of the tax in question. That the ability of the people has increased largely since then, no one will deny,

By Mr. Clymer, for a divorce between William G. | Mr. Brumfield proposed to add Putnam county; which and that the people of any of the western States could now pay a tax of four mills with more ease than they could then pay half that sum, I presume no one wil

doubt. And here I deem it proper to refer to the copy of an Indiana Internal Improvement bond annexed hereto.

I now come to ano her branch of the subject, of the deepest interest to a portion of the bondholders, represent-

those causes, which have involved such serious disappointment and loss to them; and they regard with solicitude the

resing than can be those of the State; and in order that
worr Excellency and the Legislature may better underment and loss to them; and they regard with solicitude the period when they shall cease to exi-t, and the State of Instand the views and feelings entertained on this subject, to the great internal prosperity of the State, over which

State, provided the tax imposed will furnish the means, sent of their prosperity. If any apology for this course shall be deemed proper, it without any after increase, of paying the interest on the public debt—and ultimately extinguishing the principal.

In order to meet so natural a sentiment, and which I career as brilliant. She has only to restore her credit—presume the mystery may after all be solved by the resolves itself into one of ability, my attention has been should challenge the admiration of the world.

> By reference to the Auditor's report for the present in the form of treasury notes, or scrip, is receivable for State and minute exhibit of the finances of State, than for its long period, without receiving any payment from the State, revenue, and that it is regarded by some as a first flen on sound and practical views, which reflect credit upon that and the effect of such delay, is to render their property comthe revenues of the State, and to be first paid, before any able officer-it appears that the entire public debt, so call- paratively valueless in their hands. In many instances parapplication of revenue can be made, to the payment of the ed, of the State (not including State scrip, and bonds is- lies have held on, without submitting to the enormous sacri-It might not be becoming in me, either to question this eleven millions and ninety thousand dellars; the annual from the State; and in such cases, if they can only be re-asapplication of revenue, or the good faith of the State, in giving to subsequent creditors, if I may so speak, a prior and interest on which is \$556,220. I have not thought project the subsequent creditors, if I may so speak, a prior and the extreme of interest to the prior in the future, it will save poning its prior and equally bona fide creditors, from all par- debt, as, until it be funded, it forms no part of the funded their property. Next to the payment in full of arrears, is the contrary, I am satisfied that the act referred to was taxable property in the state for the year 1845 falls little certainty is the uncertainty in which little more accommodating. It is as follows: prompted by considerations of the purest character, and a de- short of one hundred and twenty millions of dollars, and the whole subject is involved, and the consequent inability their part, if she had given to them her bonds or obligations half of the entire funded debt of the State; and it is to investment, and whose reliance for support is on income. in precisely the same form, as she had previously given to be considered that this increase in the wealth of the State, Such, with scarcely any exception, is the class I represent.

energy of the people of Indiana. out complaint; and they cannot but regret, that such a plan of taxable property of the State for the next ten years, her integrity and disinterestedness in deciding on the ques was not adopted, as it would have protected the State itself will not be less than six millions of dollars per annum, tion, however it might disappoint his expectations, and nowfrom great embarrassment, and enabled it, as the history of and that there will be a corresponding increase of polls. ever variant it might be from his own estimate. its finances for the last four years abundantly prove, not on- It seems to be admitted on all hands, that this calculation The higest evidence which can be given, of the reliance ly to have paid the interest in full on its domestic debt, but al-

what will be the actual result.

on the first day of January 1851 it is suggested.

the purest and highest example of equal and exact jus- revenues of the canal to receive an additional one per

lows, viz: Principal according to the Auditor's report, Back interest from 1st Jan. 1841, to 1st July, 1846, is 53 years, Estimated deliciency of interest between 1st July, 1846, and 1st January, 1851, say 2 per cent,

\$998,100-\$4,953,500 44 Tis... \$15,143,530 Total funded debt, 1st Jan., 1851, The annual interest on which would \$757,176 50

" 3 per cent, 2 per cent,

Thus the amount of interest to be paid annually from cents; of which \$454,305 90 would have to be provided for by taxation, (being three per cent. interest on the whole amount,) provided reliance be had on the revenues ed by me, viz: the holders of the Wabosh and Erie canal of the canal for the balance as suggested.

bonds. These bonds were issued for money borrowed (which was the Wabash and Eric canal in Indiana, as terms of the bonds, the interest is payable semi-annually originally projected and pledged,) and the canal, its lands. -that for this semi-annual interest there is a coupon atits revenues and tolls, were set spart and appropriated, and tached to the bond-that the interest should have been lature as a boon of favor. Listen to this beautiful the Bank comparatively is, undoubtedly the most danbly pledged and guarantied by the State f.r the payment titled to interest upon the coupons, from the period when of the interest and the redemption of the principal of those they matured-that, as between individuals, interest, at Ioans; and upon this pledge the loans were obtained. the legal rate, is allowed always from the time the note quarterly meeting in November, 1811, the undersigned was made the vehicle of requesting from the last General sustain it. It takes just so many silver dollars out same laid before the House, over which you have the honor loans; and upon this pledge the loans were obtained. the legal rate, is allowed always from the time the note The canal has been finished, its entire length from Lulay.

ette east to the State line, and the State has realized, and is, at this moment, realizing a considerable revenue from it, and yet no application has been made of any portion of the payment of the interest or those tolls and revenues, to the payment of the interest or the fact, that by an act of the Legislature of the fact, that by an act of the Legislature of the privilege during the life of the charter, and it was as and in the end works only evil, and that continually sumed by the undersigned, that the existing privilege those tolls and revenues, to the payment of the interest or any portion of it, according to the original pledge, and standing bonds of the State; which bonds were to bear sion was not from an examination of the law conferring.

The present condition of the Bank as compared. for a period of five years has the same remained unpaid. interest at the rate of seven per cent. per annum, payable the privilege, but was adopted in concurrence with what The holders of those bonds conceive that they have a right half yearly, and which were duly executed and tendered appeared to be the then opinion of the Board of Directto insist that those tolls and revenues be thus applied, and to the bondholders in payment of interest, and declined, ors They feel that the State has no right to divert, or use them except to a small amount. I refer to this act of the Lefor any other purpose, however useful or desirable it may gislature, as showing their sense of the obligation resting examination of the law, that such a construction was erlarge amount of the bonds of the State of Indiana, (Waba-h be to the State, without their consent; and they appeal to on the State—an obligation which so far from being weakthe sense of justice and honor of the State, to fulfit the ened by the lapse of time, is surely strengthened. In as conferred, is a continuing one, until repealed by the "A comparison of the condition of the Bank on the 15th road a State road in Clay county; divorcing John G. fore the Legislature, now in session, their situation in resKeller and Elizabeth Keller, ayes 47, noes 41; regupect to the stock held by them; and to solicit your earnest the face of the bond itself, and on the security of which they obtained the money. That those tolls have, by law, whereby a great sacrifice is made by the bond holders. for the improvement of roads in certain counties therein named, and providing for an additional tax in Lagrange, Noble and Steuben.

On motion, the House adjourned.

The interest on these bonds has not been paid for the space
that the State would be able to meet its obligations, and
grange, Noble and Steuben.

On motion, the House adjourned.

The interest on these bonds has not been paid for the confive years, though the holders have indulged the hope.

Interest on these bonds has not been paid for the confive years, though the holders have indulged the hope.

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Interest on these bonds has not been made receivable in a land scrip, issued for the confive years, though the holders have indulged the hope.

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Interest on these bonds has not been made receivable in a land scrip, issued for the conlay, and a corresponding advantage is secured to the state,

and the present session, and at the present session of the caral west of the state,

Increase of deposites,

the injurious services of the sources of the session of the privites.

The interest on these bonds has not been and scrip, in the desire to secure the se cording to the terms of the bonds; yet they have as often tolls from the object to which has been done them, in diverting the chief of which is the desire to secure the settlement of thus tar, mad not been done them, in diverting the bonds; yet they have as often tolls from the object to which has been done them, in diverting the bonds; yet they have as often tolls from the object to which has been done them, in diverting the bonds; yet they have as often tolls from the object to which has been done them, in diverting the bonds; yet they have as often tolls from the object to which has been done them, in diverting the bonds; yet they have as often tolls from the object to which has been done them, in diverting the bonds; yet they have as often tolls from the object to which has been done them, in diverting the bonds; yet they have as often tolls from the object to which they were originally pleds. The bonds is the bonds in the They invested their money in the purchase of the stock of the State of Indiana, with the most entire confidence in the integrity of the people, and in their ability to meet their public faith involved in it. If the State had, at the same liberal disposition of your bond holders will be met by a three are now but few small note circulation, at this great question, at this great question at this great q obligations; and they were led to such investments of their time and by the same law, which diverted those revenues corresponding spirit of liberality, on the part of the Le-

the terms of the bonds; and the receipt of which has been made, they are constrained to present the bond itself, to the State for the year 1845, over the value of the same proand is, to all of them a matter of great importance, and to a large share of them, of indispensable necessity, to enable them to meet their daily wants. They cannot but deplore, obligation which it imposes; for it will not be doubted in common with the citizens of Indiana, the existence of that the necessities of those individual holders are more en in connexion with other concurring and lavorable cir. will have expired; and that the withholding of the issue

They do not indulge a doubt as to the disposition and in-tention of the people of Indians to pay their debts to the uttermost farthing, as soon as they shall be satisfied that them. When it is considered that there is a contract exthey have the ability to do so; but it becomes a question of serious importance with them to know when and how they may its bonds, it is to be expected that he should feel a deep the world; and with which States Indiana is so interexpect to be relieved, by the payment of the interest, and what calculations they may safely make in regard to the future; and their anxiety on this subject has prompted them to send me to the State of Indiana, for the purpose of con-There seems to be a strong feeling of uneasiness and izens have borne without murmuring the burdens necesthereto, and making such arrangements as shall be deemed discouragement manifested in relation to the jucreasing sary to sustain their credit, throughout a period of great whose "rehicle" he was; and of the public univernecessary, and as shall be within the ability of the state, to magnitude of the public debt, by the accumulation of in- pressure and gloom, and where a tax is collected for the relieve them as soon as practicable, from their present poto make on the subject, I am led to believe that the people of Indiana will cheerfully submit to any reasonable tax, They believe that this measure will greatly promote the integrity interests of the State and its creditors, and that the adjustment of the business on terms satisfactory to them, and hon-

I should fail in my duty to those whose interests I represent, if I did not state in the most explicit manner, and half to say, that they will be satisfied with any arrangemade for the restaration of the restaration o at the earliest moment, to remove any erroneous impressions ment which will ensure the application of a reasonable Maryland-to Michigan and Illinois-in each of which, steps thing not calculated to retain and expand the priviyour foreign bonds have never contemplated or authorized any proposals being submitted on their bond-holders; and in these efforts any proposals being submitted on their behalf, which should embrace less than the eventual payment of their just claims be controlled by, and graduated to, the actual ability of is a movement which enlists the sympathy of every American character, and the sense of justice, prevailing over every obstacle. It is a movement which enlists the sympathy of every American character, and the sense of justice, prevailing over every obstacle. It is a movement which enlists the sympathy of every American character, and the sense of justice, prevailing over every obstacle. It for the entire amount of principal and interest of the bonds the people, present and prospective, and as the question can citizen, wherever his residence may be, and which

If the State cannot make immediate provision for the pay- directed to an examination into the official documents an- I cannot close without availing myself of the occasion to ment of the interest on her bonds, in full, without imposing too nually submitted to the Legislature, which exhibit the present a few considerations which belong to this great subgreat a burthen of taxation upon her citizens, then it is de- resources and progress of the State, and which it is pre- ject, involving, as it surely does, the honor of the State, and sirable that some arrangement be made for the payment of sumed may be relied on as furnishing the basis for intelli- the prosperity, interests and future welfare of its eight hundred thousand population, and which, it would seem, should prompt the Legislature to take immediate steps, to the ex- tion than \$5, to an amount not exceeding \$1,000,tent of her ability, for the relief of her foreign bond-holders. vear-a document distinguished not more, for its lucid It will be remembered that they have held their bands for a half millions of dollars per annum, -in other words that found extensively in the hands of trustees, guardians, re- years." the average annual increase has been fully equal to one tired and aged persons, widows, and others whose object was

hose who had advanced her their money; (and surely this has taken place during a series of years of admitted pres- The State cannot be constrained to make payment, in any was all they could have exected;) and if she had, to the ex sure and difficulty, and while the credit of the State was manner, at the will of the holders of her bonds, however tent of the interest on such bonds, allowed a higher rate, under a cloud. It certainly affords striking and encouraging evidence of the growing prosperity and irrepressible of honor and justice. In the exercise of her sovereignty. I assume that the average annual increase in the value deemed presumption in any one, even a creditor, to que-tion

State, is to be found in the fact slready mentioned, that A calculation based on these facts will show, that without they have continued to hold the bonds from the period of imposing a higher property tax than a three mill tax, or their purchase, prior to the default of the State, down to fully exercise it. But such was not the intent of Levy. Indian Affairs, Mr. Sevier. Revolutionary riod have been straitened in their circumstances, in conse- thirty cents on the hundred dollars, and placing the poll the present time. It is true, they have been encouraged the Legislature which passed the law, nor has the Claims, Mr. Semple. Judiciary, Mr. Ashley. Post quence of not receiving their just dues from the State; and tax at seventy-five cents, sufficient revenue would be pro- from time to time, by the solemn assurances of the people would have been such an earnest of intention and effort duced, after paying all State expenses, to pay two per cent. of Indiana, speaking through their Executive and Repreen the part of the State, to maintain its faith, and meet its interest annually on the entire public debt of the State, sentatives, of their in entire to them, as soon liabilities, to the extent of its ability, as would at the same from and after the first day of July, 1846, up to the 1st as they should have the ability; and especially by the I desire in these remarks, to call the attention of your day of January, 1851, inclusive, besides leaving a surplus emphatic language of the joint resolution, adopted by the Excellency and the Legislature strengly, to this part of to be applied to the payment of the six per cent. treasury Legislature of 1844-'45, which is,-" that we regard the the case, not with the view of disturbing in the least, the notes of over one hundred thousand dollars annually; "slightest breach of plighted faith, public or private, as an existing arrangement in respect to the domestic debt, to and these being absorbed within that time, the State would "evidence of the want of that moral princip'e, upon which in the world to take any of them back. the prejudice of any holder of any portion of it, but for then, by the further addition of a half mill in 1850, have "all obligations depend: that when any State in this the purpose of showing that your bondholders are con- the means to pay from and after the 1st day of January, "Union shall refuse to recognize her great seal, as the suf-Mr. Porter reported a bill to revive an act therein named, scious of their rights, and of the minrious discrimination. 1851, three per cent, interest annually on the theo entire "ficient evidence of her obligation, she will have forfested which has been made in respect to the public creditors, funded debt, besides leaving a surplus to go to a sinking "her station in the sisterhood of States, and will no longer and which they have submitted to with an abiding confi- fund for the gradual redemption of the principal; and "be worthy of their confidence and respect"-and while dence, that Indiana would, at the earliest practicable mo- which amount of interest being secured by resenues de- they ought not to doubt that such is the sentiment of the ment, correct as far as possible, the errors either of legisla-tion or finance, affecting her honor, and the rights of any at which taxation may be fixed; and reliance may be had on the revenues of the Wabash and Brie canal when fin- lating, and with the increase of debt, the difficulties in the effects were detected. It is obvious however, that some ished from the State line to the Ohio River, to meet any way of payment will also naturally increase; and they plan should be devised, by the wisdom of the Legisla-ture, whereby some portion of the interest may be paid from that source will cover the amount in full after that or refusal on the part of a State, to provide for the payment ana, and as adding greatly to the ability of the people to danger of this tatit or passive repudiation, is increased reported a bill to amend the 13th article of the 51st chapter In Pennsylvania, the domestic debt was postponed by meet their just obligations; and in expressing a willing- with the delay: for the longer it is suffered to remain, the be influenced by a consideration of interest, which they that the most lively apprehension should be indulged, by perthe avails of it are to be applied towards the interest on believe to be mutual between the State and themselves. | sone situated like those I represent, nor that they should be In order to ascertain the total funded debt of Indiana, importunate with your excellency and the legislature, to save 1. That for the arrears of interest on all the bonds up to which I now have the honor to make, if I have expressed the first day of July 1846, certificates be given to the holders.

Which I now have the honor to make, if I have expressed to ously and totally at variance with universal opinion up outly at variance with universal opinion up o payable on the first day of January 1851 or then funded, fail in any particular in the respect which is due from me, State on this subject, it is urged, that the State scrip is on Mr Ferguson, from a select committee, reported a bill the face of it made receivable for all State revenues, and that any interference with it would be in violation of the 2. That for the arrears of interest, accruing between any such intention, and that you will attribute it to my the Bank will construe the law most liberally in their pledge, on the faith of which it was issued. In reply, I the first day of July 1846, and the first day of January anxiety to represent faithfully the rights and expectations would respectfully ask, whether the present holders of 1851, like certificates be given, with the privilege of fund-State scrip have any higher claim on the equity of the ing the same at the latter date in a similar manner, and not be presumed from the relation which they sustain to State, than the holders of Internal Improvement bonds, from that period (1st January 1851) the interest in full the State, to entertain any other than feelings of the utmost possible advantages over the people. It remains to who purchased them more than six years ago, and when upon the whole debt to be paid from the sources above respect for its public authorities, and a sincere desire to see be seen whether the Legislature will be so derelict to the credit of the State was untarnished, and its pledged alluded to, that is to say, three per cent, from the general its credit established on the most enduring basis; and its

behalf of a very large body of the holders of the bonds of cent. per annum, during the same period, making 3 pr ct.

On this basis, the entire funded debt of the State on the first day of January, 1851, may be estimated as fol- and will most cheerfully submit them in person if it be agreesble to the Legislature, to any committee whom they. \$11,090,000 in their wisdom, may appoint for that purpose; and I trust that in such conference, I shall be able to satisfy the Legis- We can look out for ourselves as well as others can lature of the disposition of the bond-holders whom I represent to obviate any ressonable difficulties, which may seem at first view, to lie in the way of a satisfactory adjustm. frt of the whole business. With a mimurits of high respect,

I am, Your Excellency's Oh't serv't. CHARLES BUTLER. State Bank -- Small Notes.

small notes.

now coolly claims, as a sort of prescriptive or "vest- the Bank. spreimen of Bank Democracy. He says:

"He was, however, soon after convinced, on a careful roneous, and he came to the opinion that the privilege, President Morrison himself in his report :

Linst year the language of the Bank President on the same subject was as follows:

"The arrangement for an extension of the privilege, Increase on di-counted notes, and at the present session, and as claimed to have been Increase of bills of exchange, the State, but from a desire to place their money where, while it would be thus safe beyond a question, they might calculate on receiving the interest punctually, according to the calculate on receiving the interest punctually, according to the withdrawal to reserve the beyond a question of the interest punctually, according to the withdrawal state of the productions of the same law, which diverted those revenues corresponding spirit of liberality, on the part of the Lefrom their legitimate end, provided by tax, for the payment gislature and people of Indiana.

According to the most reliable estimates, the people of Indiana will realize an advance on the productions of the States will fill up the vacuum made by the withdrawal of ours: that the existing privilege having not a second to the four the same law, which diverted those revenues corresponding spirit of liberality, on the part of the Lefrom their legitimate end, provided by tax, for the payment gislature and people of Indiana.

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According to the most reliable estimates, the people of Indiana.

States will fill up the vacuum made by the withdrawal of the provision has been and people of Indiana. of that portion of the circulation from the community, meanwhile be naturally shaping their business accordingly .- See Report, Doc. Jour. p. 112.

President corresponded with that of the Legislature to travel the road to ruin, under the unwilling rewhich passed the law, of the State Bank Directors sponsibility of the Democratic party. It is for the sally. Take into view also the fact, that when the further one, of the future ascendancy of the Demoof Circuit Judge, whose duty it certainly was to un- terested look to it. every one as a remarkable change of opinion or an into a Bank, you subject him to a subtle virus which our full share of excitement thus far, this week,

There were two laws passed in 1841, in relation and after the usual preliminaries, the order of the to the issue of small notes by the bank. They may day, the election of officers, was called up; when, be found in Chapter CXII, Sec. 7, and CXXI, Sec. 6,

Chapter 121, Sec. 6, provides that it shall be lawful ingly. a motion to adjourn at an early hour, prefor the State Bank to issue notes of a less denomina-000; provided; that this privilege shall be subject to the control of the General Assembly from and after the 28th January, 1844, (about four years : ) and provided further, that the Bank should pay into the State sued for Bank stock) exclusive of all back interest is fice which a sale would involve, hoping for speedy relief Treasury one per cent. on the amount of such small received for the office of Secretary 25 votes, and Mr.

This did not suit the Bank exactly, especially the one per cent. bonus to the State; and therefore it "That the privilege of issting notes of a less denomina-

And it further provided that the trouble and responsibility of the Bank, in managing the trust funds the Senate proceed to the election of chairmen of the of the State, converted into Bank stock, should be

It is under this section that the Bank issues her the following aggregate result. small notes. The law first quoted, conferred the privilege four years; the last, five years.

some plausibility, that as the law of 1841, does not Dickinson. Agriculture, Mr. Sturgeon. Militia, positively inhibit the exercise of the privilege after Mr. Atchison. Naval Affairs, Mr. Fairfield. Pubthe five years, specified, therefore the Bank may law- lie Lands, Mr. Breese. Private Land Claims, Mr. law ever been construed as the Bink President now Office and Post Roads, Mr. Niles: Roads and Caconstrues it. It is another and striking evidence of nals, Mr. Hannegan. Pensions, Mr. Upham. Disthe fact, of which we have thousands of examples, trict of Columbia, Mr. Haywood. Patent Office, that Legislatures may gran! as many privileges to Mr. Cameron. Contingent Expenses of the Senate, corporations as they please; but it is the hardest thing Mr. Niles. Public Baildings, Mr. Cameron. Print-

"No note shall be issued of a less denomination than fice dollars; and the Legislature Hereby reserves the right, at any time after ten years, to restrict and prohibit the circulation and issue of any note for less than ten dol-

The provision of the charter would cut off the privilege in question, of continuing the issue of small notes two readings, and was then referred to the committee by the Bank, unless it be superseded or set aside by on the judiciary. A joint resolution for the same obchapter 71 of the Revised Statutes, entitled "an act ject was also introduced into the House, by Mr. Dougor the revenues now levied, to that purpose, or by an increase of the tax, to be set apart and appropriated for this permitting administrators, &c. to selling lands, belonging to specific purpose, and that the foreign bond holders should of that great work of internal improvements, as intimately the holders of its obligations, and to the people themselves, notes or bills." This chapter declares all such isspecine purpose, and that the loreign bond noiders should not, as a matter of course, be excluded from all relief, undidentified with the future wealth and prosperity of Indian the sies, by any person or corporation, other than the State Bank, to be null and void; all contracts based of the Revised Statutes, in relation to the keepers of gaming houses, nine-pin alleys, &c., punishing professed gam- tend relief to its public creditors, and in Illinois, where way that may be desired for the accomplishment of so was incurred, and when the sense of it was fresh-and State Bank, imposes a penalty of from one handred to

probably made to cover the limited privilege which sest of said county, will be offered for sale by the undersiwas conferred by the law of 1841; but the law may Tuesday the 19th day of February, A. D. 1816, between the hours of 18 o'clock, A. M. and 4 o'clock P. M. on said day, at the door of the them from such a possible fate; and in the communication be so loose in its terms as to justify the assumption House, in the town of Peru, in said county, in separate lots of 40

own favor, and will twist and turn and screw every discrepancy in such a way as will give the greatest the true interest of the people, as to quietly submit to the extraordinary assumption of President Morrison, and thus, as it were, begalize that assumption. On the supposition that the State will provide by tax Indiana, to enter into an arrangement wiff the State, in To do this, would be, in our opinion, not only wrong, or in any other way, for the payment of two per cent, per or in any other way, for the payment of two per cent, per respect to the bonds held by them, having regard to the annum interest on her foreign bonds, commencing on the principles by the indicated in this communication. It is the privilege which it desires, permanently, till the said administrator this cause is continued to the next term details of such an arrangement as they have empowered expiration of its charter some ten years hence, the Legislature should grant it openly and aboveboard, published at Indianapolis in said State, notifying the said and neither let the Bank steat it nor sneak into it, Joseph Berryhill that said petition of insolventy is still by construction of misconstruction.

Personally, we care but little about the matter. look out for themselves; but it would be underrating the intelligence of the members of the General Assembly, to suppose them ignorant of the unquestionable fact, that the country is on the eve of another expansion of the paper currency. Many are forgetling the severe lesson taught a few years since, from Kovember 18, 1843.

the consequences of which the country has hardly yet We have before us the annual report of the Presi- recovered in full; others, not forgetting, are willing Thus the amount of interest to be paid annually from and after the first day of January, 1851, on the entire dent of the State Bank. It possesses but two points to see a recurrence of the evil in the hope of profit-funded debt would be Seven Hundred and Fifty-seven of interest: that of the general condition of the Bank, ing by acquired wisdom, though it be the wisdom of and that of the extension of the privilege of issuing the serpent. Just as sure as the expansion, will follow another revulsion. And the question for the Gen-In relation to the latter subject, the President takes eral Assembly to decide, is whether it will lends its the position of a true votary of paper money. Grown aid to assist or check the evil, by continuing or regreat, like Casar, upon the meat he has fed on, he claiming the small note privilege now exercised by

gerous to the people; and in case of suspension is "By a resolution of the Board of Directors at their sure to throw the greatest loss on those least able to

favor of the reclamation of the small note privilege. This is shown by the following summary given by

day of November last, (1845,) with its condition on the 16th d.y of November of the preceding year, (1844,) exhibits the following, viz: Decrease of Capital Stock. -- \$17,034 37

- 58,186 44 - 733 937 30 - 66,520 99 por 548,139 50 amount of Capital Stock is \$2,087,894 50 Amount of circulation out of Bank, is 3,517,351 59 \$1,439,456 91

Circulation, out of Bank, as above; \$3,517,351 59 1,079,368 24

Excess of circulation over specie.

\$2,417,983 24

Over \$3 25 in paper to \$1 in specie. These statements of the President of the Bank very will consequently commence before the next legislature conclusively show, that the Bank is doing its full share could set, and the Branches, without legislation, will in aid of the expansion which has been going on during the past year. Before the concern came into Now in this extract, the fact that the privilege in the hands of professed democrats, it had been, through question expired this winter by limitation, is stated the virtue of vigorous lashings, brought from a state

## CORRESPONDENCE.

WASHINGTON, Wednesday Evening, Dec. 10, 1845.

Messas. G. A. & J. P. Charman :- We have had for some cause undefined, probably an impression that Senators were not fully prepared to act understand-

After the adjournment, a new caucus of democratic members was held, at which the nominations of Friday were re-confirmed, or rather renewed.

On Tuesday the election was gone into. On the first ballot, Mr. Dickens, (the present incumbent,) Sturgiss, the nominee of the democratic caucus 24. It may be proper here to remark, that 28 democratic Senators-or those professing to be such, are in the City. One of these, Mr. McDuffie, is confined to his room by sickness. The remaining 27 were present. There were also present 22 whigs. So that on a tion than \$5, granted the Bank by this General Assembly, strict party vote, the democratic candidate would have so pressing as to enlist the sympathies of the Legislature; property for several years past, has been nearly five and a should be as it is, may appear unexplainable to you. be, and the same is hereby enlarged, so as to run from succeeded by a majority of three. That the result It is certainly so here.

After the election of Assistant Sergeant-at-Arms, several standing committees, which was partially progressed in when the hour for adjournment arrived. To-day, this matter was renewed and completed with

Military Affairs, Mr. Benton. Foreign Affairs, Mr. Allen. Finance, Mr. Calhoun. Commerce, Mr. Now a legal quibbler may possibly maintain with Haywood. Claims, Mr. Bagby. Manufactures, Mr. ing, Mr. Atherton. Retrenchment, Mr. Lewis. Ter-The 22d section of the law chartering the Bank is ritories, Mr. Westcott. Engrossed Bills, Mr. Chal-

A message was received on aesterday, by each House, from the President, transmitting copies of the Constitution of the new State of Texas, and asking for its admission into the Union. A hill for this object was introduced into the Senate to day by Mr. Lewis, which, on motion of Mr. Turney, received

Sundry remonstrances against the admission of Texas as a slave State, have been presented by Mr. Adams, and some by other members; which have been TIMOLEON.

## SALE OF SCHOOL LAND In Miami County, Indiana.

OTICE is hereby given, that the school land, being section num-ber sixteen, (15) hi congressional township number twenty-six, (26) north, range number lour (4) east, situate in the county of Mi-ami and State of Indiana, 3 miles S. S. W. from Peru, the county surveyed by the proper county Surveyor, a part of which will be ex-hibited on the day of sale. The inforesaid sale will be made subject to the following conditions, to wit: One fourth of the purchase mon-Of one thing we may be sure, that the officers of ey to be put on the day of sale, legal interest (7 per cent per annum) tor the residue for one year in advance, and the residue in every five years from seeff safe, with with like interest annually in advance.

Peru. Miami county Ia., J. M. DEFREES, Additor M. C.,

Dec. 6, A. D. 1845.

II. MENDENHALL, School Com.,

SS-900

State of Indiana -- Boone County. BOONE PROBATE COURT, NOVEMBER TERM, 1845. Joseph Larimore, Adm. of James Berryhill, deceased, vs. Esther Berryhill, Alexander M. Berryhill, Joseph Berryhill and others.

Complaint of Insolvenoy.

Complaint of Insolvenoy. pending in said Court, and if not plead to or answered on or before the calling of the cause at the next term of said Court, the same will be taken as confessed and true against

By order of the Court. Attest, LEVI LANE, Clk. Gates & Surr, Au's for Compl